

Independent Investment Programme Advisory Group – Quarterly Report March 2023

1. Introduction

- 1.1. This report to the Committee describes IIPAG's activities since November 2022. We have made no new strategic recommendations.

2. IIPAG Activity

- 2.1. We list below the Sub-Programme and project reviews we have undertaken in this period:

- 2.2. Sub-Programmes:

- Technology and Data;
- Air Quality and Environment;
- Major Stations.

- 2.3. Projects:

- Pay as You Go in the South East (Project Oval);
- London-wide Ultra Low Emission Zone (ULEZ);
- Road User Charging (RUC) Business Operations System.

- 2.4. We also had briefings on the Healthy Streets Sub-Programme and the Old Street Roundabout project. We have continued to engage with the Four Lines Modernisation project. The covering paper from Project Assurance describes management progress in implementing IIPAG's recommendations.

3. Systemic Issues

- 3.1. Resources continue to be raised as a risk in many areas, though good progress has been made in securing additional technology resources through the Crown Commercial Services framework. Shortages of project management and commercial resources have been highlighted. Despite the challenges we have seen some well managed projects and programmes in this period.

- 3.2. Through our reviews we continue to encourage teams to provide a good account in their Committee papers of how their delivery over the past year has compared to what they said they would deliver. We also continue to encourage a focus on good programme planning and sufficient attention to risks around schedule, which we find can get less attention than cost risk.

4. Progress with Cross-cutting Work

- 4.1. We have completed our reviews of the First and Second Lines of Defence (LOD) and TfL's Benchmarking. Our reports are attached as appendices 2 and 3 respectively.
- 4.2. Review of First and Second LOD. We concluded that, while project assurance across TfL is already adding value, there are opportunities to further improve assurance and thereby reduce the likelihood of cost and schedule overruns and under-delivery of benefits. We encouraged more rigorous application of good project practice, and implementation of already agreed improvements such as project baselining and the assessment of risk. Beyond this, we advocated less governance complexity, more rigour in portfolio management, and clearer assurance accountabilities.
- 4.3. TfL Benchmarking. We found that TfL continues to have a commendably strong external focus. TfL leaders have been very supportive of international benchmarking and this has no doubt helped sustain a culture in TfL which is strongly outward looking and open to alternative ideas and approaches. There are good examples of how TfL has used benchmarking to shape and improve its performance, such as in responding to the pandemic. Benchmarking has been used extensively to inform the policies that support the Mayors Transport Strategy, carbon neutrality and the Financial Sustainability Plan, and to support funding discussions with the Department for Transport.
- 4.4. Our Terms of Reference ask us to review benchmarking every year. This is our third report, and each has had similar findings. Given TfL's strong performance in this area, and the fact that this does not change much from year to year, we suggest that the IIPAG Terms of Reference are revised to reduce the frequency of IIPAG's benchmarking reviews, to every 3 years.
- 4.5. Our update review of the Procurement and Commercial Improvement Programme is almost complete at the time of writing. We are planning two new cross-cutting reviews to start in the next couple of months: first on the delivery of renewals, and second on the effectiveness of the Pathway gate process.

Alison Munro
Chair, IIPAG
March 2023